SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

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__X__\ QUARTERLY REPORT PURSUANT TO SECTION 13 OR (15d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 1992

EXL-22604

_____\ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transaction period from _____ to _____

Commission file number 0-12371

GOODY PRODUCTS, INC.
(Exact name of registrant as specified in its charter)

Delaware	13-5654932
(State of other jurisdiction incorporation or organization	I.R.S. Employer Identification No.)
969 Newark Turnpike, Kearny, New Jersey	07032
(Address of principal executive offices)	Zip Code

Registrant's telephone number, including area code 201-997-3000

Former name, former address and former fiscal year, if changed since last report

Indicate by checkmark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports and (2) has been subject to such filing requirements for the past 90 days. Yes _X_ No_____

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

Indicate by checkmark whether the registrant has filed all documents and reports required to be filed by Section, 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes_____ No_____

APPLICABLE ONLY TO CORPORATE ISSUERS: Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:
6,572,448 as of April 28th

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GOODY PRODUCTS, INC. AND SUBSIDIARIES
Consolidated Balance Sheets

	($ in Thousands) March 31, 1992 (unaudited)	December 31, 1991
Assets		
Current assets:		
Cash & cash equivalents	$ 2,548	$ 1,140
Accounts receivable, less allowance for doubtful accounts of $988 at 3/31/92 and $841 at 12/31/91	39,745	22,095
Inventories	45,832	50,636
Refundable income taxes	-0-	404
Prepaid expenses & other current assets	3,133	2,204
Total current assets	91,258	76,439
Property, plant & equipment, at cost	99,817	100,102
Less accumulated depreciation & amortization	63,033	61,958
Net property, plant & equipment	36,784	38,144
Excess of cost over net assets of businesses acquired	7,111	7,164
Other assets	5,640	5,533
Total assets	$ 140,793	$ 127,280
Liabilities and Stockholders' Equity		
Current liabilities:		
Notes Payable	70	130
Current installments of long-term debt	3,183	3,362
Accounts payable	7,831	8,559
Accrued expenses	14,751	10,946
Income taxes payable	2,229	-0-
Total current liabilities	28,064	22,997
Deferred compensation	1,940	1,973
Deferred income taxes	5,806	5,806
Long-term debt, excluding current installments	28,888	22,634
Stockholders' equity:		
Serial preferred stock $10 par value. Authorized 300,000 shares; none issued	-0-	-0-
Common stock $.10 par value. Authorized 20,000,000 shares; issued and outstanding: 6,571,098 at 3/31/92; 6,556,158 at 12/31/91	657	656
Additional paid-in capital	7,532	7,371
Retained earnings	67,827	65,526
Equity adjustment from foreign currency translation	(79)	(317)
Total stockholders' equity	76,095	73,870
Total liabilities & stockholders' equity	$ 140,793	$ 127,280

See Notes to Consolidated Financial Information.

GOODY PRODUCTS, INC. AND SUBSIDIARIES
Consolidated Statements of Earnings

($ in Thousands)
Except per share data

	Three months ended March 31	
	1992	1991(a)
	(unaudited)	
Net sales	$ 60,226	$ 60,067
Cost of sales	35,369	35,098
Gross profit	24,857	24,969
Selling, shipping, general & administrative expenses	20,142	20,572
Operating earnings	4,715	4,397
Other expenses (income):		
Interest expense	801	1,097
Interest income	(7)	(150)
Other, net	87	51
Earnings before income taxes	3,834	3,399
Income taxes	1,534	1,390
Net earnings	$ 2,300	$ 2,009
Earnings per common share	$.35	$.31
Weighted average number of common shares outstanding	6,570,401	6,538,262

(a) Reclassified to conform to current year's presentation (See Note 1 of Notes to Consolidated Financial Information)

See Notes to Consolidated Financial Information

GOODY PRODUCTS, INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows

	($ in Thousands) Three Months ended March 31	
	1992	1991
	(unaudited)	
Net cash provided by (used in) operating activities	$ (4,257)	(4,590)
Cash flows from investing activities:		
Purchase of property, plant and equipment	(512)	(985)
Proceeds from the sale of property and equipment	-0-	6
Net cash used in investing activities	(512)	(979)
Cash flows from financing activities:		
Principal payments of short-term borrowings	(60)	-0-
Proceeds from issuance of long-term debt	19,994	32,899
Principal payments on long-term debt	(13,920)	(39,526)
Stock options exercised	163	—
Net cash provided by (used in) financing activities	6,177	(6,627)
Increase (decrease) in cash	1,408	(12,196)
Cash and cash equivalents at beginning of period	1,140	14,693
Cash and cash equivalents at end of period	$ 2,548	2,497
Supplemental cash flow data		
Cash paid during the period:		
Interest, net of portion capitalized	271	1,003
Income taxes	$ 121	224

See Notes to Consolidated Financial Information

Note 1. Basis of Presentation

The accompanying unaudited financial information was prepared from the books and records of the company and in the opinion of management includes all adjustments necessary for a fair statement of the results of operations for the periods presented. All such adjustments are of a normal, recurring nature.

The results of operations for the periods presented are not necessarily indicative of the results of operations for a full year.

Effective January 1, 1992, the company reclassified certain sales discounts and allowances formerly deducted against sales and included these discounts and allowances in expenses. This reclassification was effected to highlight and permit better control of sales promotion expenses. The change in presentation has no effect on operating or net earnings although it impacts gross profit and operating expense ratios. Such sales discounts and allowances, which previously were deducted from sales amount to $2,880,000 and $2,836,000, for the 3 months ended March 31, 1992 and 1991, respectively.

Note 2. Inventories

Inventories are valued at lower of cost (first-in, first-out) or market and consist of ($ in thousands):

	March 31, 1992	December 31, 1991
Finished goods	$ 20,124	$ 22,110
Work in process	6,012	5,288
Raw materials	19,696	23,238
	$ 45,832	$ 50,636

Note 3. Earnings per common share

Earnings per common share are calculated by dividing net earnings by the weighted average number of shares of Common Stock outstanding during the period.

FIRST QUARTER OF 1992 COMPARED TO FIRST QUARTER OF 1991

In an effort to highlight and control major categories of selling expenses, the accompanying 1991 statements of earnings were reclassified to include certain sales discounts and allowances which previously had been deducted directly from sales, in selling expense.

As a result, prior period sales increased $2,836,000 and expenses for the period also increased by a like amount. The corresponding amount for 1992 is $2,880,000. The reclassification affects reported gross profit and expense totals. Operating earnings, pre-tax and net earnings are not effected by this change.

Sales for the first quarter ended March 31, 1992, increased .2% to $60,226,000 compared to $60,067,000 for 1991. The company believes that the first quarter results reflect a continuing recessionary business environment which has existed for more than eighteen months. Retailers' more prudent purchasing actions are a direct result of continued consumer apprehension in the marketplace and we believe this trend will continue for the next six months.

As a percentage of net sales, gross margin declined slightly from 41.6% to 41.3%. The decrease was caused by an increase in the provision for inventory obsolescence.

Selling (including sales promotion expense), shipping and general and administrative expenses decreased 2.1% or $430,000 and were at 33.4% of sales compared to 34.2% for the prior year. This reduction reflected decreased expenditures relating to marketing and distribution.

Interest expense (net of interest income) declined $153,000 or 16.2% reflecting both lower rates and reduced borrowings.

Pre-tax income increased $435,000 or 12.8% reflecting reduced expenses and interest offset by somewhat lower gross profit.

Net earnings increased to $2,300,000 ($.35 per share) from $2,009,000 ($.31 per share) a year ago.

FINANCIAL CONDITION
Liquidity and Capital Resources

In the first three months of 1992, the company's operating activities used cash in the amount of $4,257,000 compared to $4,590,000 in 1991. The $333,000 decline was mainly attributed to the fact that working capital, excluding cash, increased $8,344,000 compared to a $8,864,000 increase in the first quarter of 1991.

Net cash used in investing activities declined $467,000 to $512,000. Management believes that its existing property, plant and equipment and planned capital expenditures for 1992 of approximately $5,800,000 are sufficient to conduct its operations in the normal course of business.

Net cash provided by financing activities during the first quarter of 1992 amounted to $6,177,000 and relates principally to an increase in long term debt to finance the company's seasonal working capital requirements. However, in 1991, working capital and other requirements were financed by funds on hand January 1st and excess funds were used to reduce long term debt.

The Company anticipates that funds available under its revolving credit agreement ("Revolver") and cash generated through operations will be sufficient to meet its working capital needs and provide it with the necessary liquidity to conduct its business in the normal course through 1992 and 1993.

The Revolver and other debt arrangements permit the Company to declare dividends up to 25% of cumulative consolidated net earnings for the period subsequent to December 31, 1990. No assurance, however, can be given as to when the Company may determine it is appropriate to declare dividends or their amounts.

Nothing to Report

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto, duly authorized.

GOODY PRODUCTS, INC.

By _____
Kevin E. Walsh
Executive Vice President-Finance
and International Operations

Date